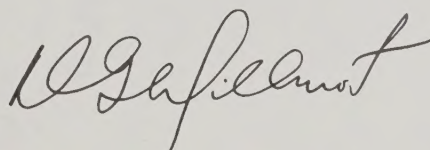


MOLSON
INDUSTRIES LIMITEDPost Office Box 6015, Toronto A.M.E., Ontario, Canada

January, 1970

JAN - 9 1970

You may have read news stories recently concerning the company's proposed offer to the shareholders of Maple Leaf Mills Limited. Unfortunately, due to circumstances beyond our control, our efforts to obtain a majority position in this company were unsuccessful. The attached copy of a statement made to the media, concerning our proposed offer, explains our position. I am sure you will find it of interest.

D. G. Willmot
President

1970-08-01

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MOLSON
INDUSTRIES LIMITEDPost Office Box 6015, Toronto A.M.E., Ontario, Canada

For Immediate Release

JAN - 9 1970

Toronto, December 23 -- Molson Industries Limited said today that it did not intend to proceed with its plan to make an offer to acquire all the issued and outstanding common shares of Maple Leaf Mills Limited. Molson had said it planned to make an offer of one Molson Class A common share plus \$5 cash for each common share of Maple Leaf conditional upon Molson acquiring not less than 50 percent of the Maple Leaf shares.

D. G. Willmot, president of Molson Industries Limited said the decision was reached after Upper Lakes Shipping Limited had informed Molson it would not tender the 450,772 Maple Leaf shares held by it. He said that without the Upper Lakes block of Maple Leaf shares, it would be impossible for Molson to secure the desired 50 percent.

Last Thursday, Molson was informed by Upper Lakes that an arrangement had been entered into whereby, under certain conditions, Neonex International Limited would acquire control of Upper Lakes. At the same time, Molson was encouraged to believe that if it made an offer to Upper Lakes for its Maple Leaf common shares -- and followed this

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with a similar offer to all Maple Leaf shareholders -- Molson stood an excellent chance of securing the 450,772 shares held by Upper Lakes.

Mr. Willmot emphasized that the Molson decision to take a position with regard to the change in control of Maple Leaf was not a hasty one. He stated that for more than a year Molson had been in contact with representatives of Maple Leaf and Upper Lakes Shipping in respect to the possibility of acquiring an ownership interest in Maple Leaf, should such an opportunity arise. Molson was encouraged to believe that it would have a preferred position in negotiating to purchase control of Maple Leaf, if and when this became possible. We were advised, he said, that the announcement of Neonex International Limited that it had acquired substantial holdings in Upper Lakes came as a complete surprise to the management of both Maple Leaf and Upper Lakes Shipping.

Mr. Willmot stated that he is disappointed that Upper Lakes Shipping has not seen fit to accept the Molson offer. "It is our firm belief that the offer was a very fair one and it would have been available to all Maple Leaf shareholders. In our opinion a combination of Molson and Maple Leaf would have been a logical one and in the best interests of all shareholders". By contrast, it is understood that Neonex International is not expected to extend its offer to the remaining minority shareholders of Maple Leaf.

JUN 11 1970

MOLSON INDUSTRIES LIMITED

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

The annual meeting of the shareholders of Molson Industries Limited will be held at the head office of the Company, 1555 Notre Dame Street East, Montreal, on Thursday, June 25, 1970, at 11 :30 o'clock in the forenoon (Eastern Daylight Saving Time) for the purposes of:

1. Receiving the report of the directors, the consolidated financial statements of the Company and subsidiary companies and the auditors' report thereon, for the year ended March 31, 1970 ;
2. Electing directors ;
3. Appointing auditors and authorizing the directors to fix their remuneration ;
4. Considering and, if deemed advisable, approving a U.S. stock option plan adopted by the board of directors on August 21, 1969, for salaried employees of the Company and its subsidiaries resident in the United States of America ; and
5. Transacting such other or further business as may properly come before the meeting or any adjournment thereof.

Montreal, June 9, 1970

J. B. JOLLEY, Secretary.

NOTE:

Any shareholder who is unable to attend this annual meeting in person, is requested to complete, date and sign the enclosed form of proxy and return it to the Company in the stamped envelope provided for that purpose.

INFORMATION CIRCULAR

(Information stated as at May 15, 1970)

Management Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation by the management of Molson Industries Limited (the "Company") of proxies for use at the annual meeting of shareholders (the "Meeting") of the Company to be held on Thursday, June 25, 1970, at the time and place and for the purposes set forth in the foregoing notice of meeting, and at any adjournment thereof. Management does not contemplate solicitation of proxies otherwise than by the mails, the total cost of which will be borne by the Company.

It is not intended to use the proxy for the purpose of voting upon the report of the directors, the consolidated financial statements of the Company and subsidiary companies and the auditors' report thereon, for the fiscal year ended March 31, 1970.

Voting Shares and Principal Holders Thereof

The only equity shares in the capital stock of the Company are the Class "B" common shares ("Class "B" shares") and Class "C" convertible common shares ("Class "C" shares"). There are issued and outstanding 3,968,354 Class "B" shares and 1,258,942 Class "C" shares. Holders of Class "B" and Class "C" shares of record at the time of the Meeting will be entitled to be present at and to vote, on the basis of one vote for each such share held, at the Meeting of the Company. Holders of Class "A" common shares ("Class "A" shares") of record at the time of the Meeting will be entitled to be present at the Meeting and, voting separately and as a class, to elect three members of the board of directors of the Company (each Class "A" common shareholder being entitled for that purpose to one vote for each Class "A" share held), but shall otherwise have no right to vote as shareholders either for the election of directors or for any other purpose.

Only the Class "B" and Class "C" shares are entitled to be voted at the Meeting, and at any adjournment thereof, with respect to the U.S. stock option plan.

Malsham Corporation Limited is the beneficial owner of 1,010,000 Class "B" shares of the Company, or 19.32% of the total outstanding equity shares of the Company. Mr. D. G. Willmot, the President and Chief Executive Officer, and a Director, of the Company, directly or indirectly beneficially owns 566,553 Class "C" shares, or 10.84% of the total outstanding equity shares of the Company. Mr. T. H. P. Molson, the

Honorary Chairman of the Board, and a Director, of the Company, beneficially and directly owns 511,275 Class "B" shares and 38,250 Class "C" shares, which in aggregate represent 10.51% of the total outstanding equity shares of the Company.

Designation and Revocation of Proxies

The persons named in the enclosed form of proxy are directors of the Company and have indicated to the Company their willingness to represent as proxy, the shareholders desiring to so appoint them.

However, each such shareholder is entitled to appoint a person to represent him at the Meeting other than the individuals named in the form of proxy enclosed. If any such shareholder wishes to designate as his nominee some person other than the individuals named in the form of proxy, their names should be deleted and the name of the desired nominee inserted in the blank space provided therein.

A person acting as proxy need not be a shareholder of the Company. A shareholder executing and returning the enclosed form of proxy may revoke the same at any time prior to its use.

Election of Directors

The by-laws of the Company provide that the board of directors shall consist of eighteen directors. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed. The persons listed below, all of whom, with the exception of Mr. A. G. McCaughey, are now members of the board of directors, will be nominated for election. The Class "A" shares represented by proxies will be voted for the election of the three persons indicated as nominees for election by the holders of the Class "A" shares, and the Class "B" and Class "C" shares represented by proxies will be voted for the election of the remaining fifteen nominees listed. Management does not contemplate that any of the nominees will be unable or unwilling to serve as a director but, if that should occur for any reason prior to the Meeting, the individuals named in the enclosed form of proxy reserve, and shall have, the right to vote for any substitute nominee or nominees which in its discretion management may select.

Name, position with Company and principal occupation	Director since	Equity shares beneficially owned	
		Class "B"	Class "C"
Nominees for Election by the Holders of Class "A" shares			
H. N. Bawden Director, Dominion Securities Corporation Limited (investment dealer)	1968	—	3,400
W. P. Frankenhoff Partner and Director, William E. Hill & Company, Inc. (management consultants)	1968	5	—
Norman E. Whitmore President, Wascana Investments Limited (general investment)	1966	6,000	—
Nominees for Election by the Holders of Class "B" and Class "C" shares			
J. T. Black Executive Vice President, Operations	1967	3,000	—
Peter D. Curry Chairman of the Board, The Investors Group (investment management)	1963	2,000	—
Donald S. Harvie President, Canadian Fina Oil Limited (petroleum exploration and production)	1965	7,500	—
David Lakie Senior Vice President, Canadian Industrial Group	1968	—	5,576
Roger Létourneau, Q.C. Partner of the legal firm of Létourneau, Stein, Marseille, Delisle & Larue	1964	400	—
Morgan McCammon, Q.C. Senior Vice President, Corporate Services	1966	120	—
A. G. McCaughey Senior Vice President, Finance	—	500	—
H. C. F. Mockridge, Q.C. Partner of the legal firm of Osler, Hoskin & Harcourt	1962	200	—
*H. deM. Molson Chairman of the Board	1938	199,250	43,050
J. David Molson President and Chairman of the Board, Canadian Arena Company (sports and entertainment)	1966	6,950	—
*T. H. P. Molson Honorary Chairman of the Board	1930	511,275	38,250
Gérard Plourde Chairman of the Board, U A P Inc. (automotive parts and accessories)	1968	200	—
F. H. Sobey Chairman of the Board, Sobeys Stores Limited (retail merchandising)	1969	1,510	91,252
G. B. Waterman Senior Vice President, U.S. and International Industrial Group	1968	200	9,690
D. G. Willmot President and Chief Executive Officer	1968	—	566,553**

*Malsham Corporation Limited, the Estate of the late Herbert Molson and another associate of Mr. T. H. P. Molson and Honourable H. deM. Molson, collectively own beneficially 1,097,250 Class "B" shares.

**107,553 Class "C" shares are beneficially and directly owned by Mr. D. G. Willmot. 459,000 Class "C" shares are beneficially and directly owned by Willcrest Limited, an associate of Mr. D. G. Willmot.

Mr. A. G. McCaughey has held the principal occupation stated since September 1968. Prior thereto, he was Vice President, Finance, Molson Industries Limited, and prior to August 1967, was Executive Vice President, Finance and Administration, Canadian Marconi Company (electronics and broadcasting).

Remuneration of Directors and Senior Officers

The aggregate direct remuneration paid or payable during the 1970 fiscal year by the Company and its subsidiaries, whose financial statements are consolidated with those of the Company, to the directors and senior officers of the Company amounted to \$739,783.

Retirement Benefits of Senior Officers

The Company does not provide for retirement benefits to directors who are not officers of the Company.

The estimated annual benefits to the senior officers, as a group, upon retirement under the Company pension plans aggregate \$278,157. Such benefits have been projected on the assumption that such persons will continue in their employment with the Company at present remuneration until attaining normal retirement at age 65 and that the present pension plans of the Company will continue until then without change.

Stock Options to Senior Officers

On August 21, 1969, in accordance with and pursuant to a stock option plan established in 1955, options in respect of an aggregate of 6,450 each of the Company's Class "A" and Class "B" shares were granted to senior officers of the Company as a group at prices of \$14.63 per Class "A" share and \$15.00 per Class "B" share. Such options are exercisable in part from time to time during the period October 1, 1969 to September 30, 1972. During the thirty days immediately preceding the grant, the price ranges of the Company's Class "A" and Class "B" shares were \$20½ to \$19 and \$21 to \$19½, respectively.

During the 1970 fiscal year, senior officers as a group exercised previously granted options as follows:

Date of Purchase	Number of Shares		Option Price	
	Class "A"	Class "B"	Class "A"	Class "B"
September 9, 1969	3,139		\$10.99	
March 11, 1970	150	150	\$14.63	\$15.00

Price Range During 30 Days Preceding:

	Class "A"	Class "B"
September 9, 1969	\$19½—\$19	
March 11, 1970	\$18¼—\$16½	\$19½—\$16½

U.S. Stock Option Plan

On August 21, 1969, the board of directors adopted a U.S. stock option plan for regular full-time salaried employees of the Company and its subsidiaries who are resident in the United States of America and reserved for that purpose an aggregate of 7,500 each of the Company's authorized but unissued Class "A" and

Class "B" shares. From the shares so reserved, options in respect of an aggregate of 5,850 each of the Company's Class "A" and Class "B" shares were granted to twenty-five full-time salaried employees of the Company and of its subsidiaries who are resident in the United States of America (including 450 Class "A" shares and 450 Class "B" shares to a senior officer) at prices of \$19.62 (Canadian) per Class "A" share and \$20.00 (Canadian) per Class "B" share, respectively, the fair market values of such shares on August 21, 1969. Such options are exercisable in part from time to time during the period October 1, 1970 to September 30, 1973.

The adoption of the U.S. stock option plan by the board of directors and the granting of options thereunder are subject to approval of the plan by the shareholders of the Company. Such approval by the holders of Class "B" and Class "C" shares is required to designate the plan as a qualified stock option plan under the terms of the United States Internal Revenue Code.

Appointment and Remuneration of Auditors

It is intended that the Class "B" and Class "C" shares represented by proxies shall be voted to appoint as auditors of the Company the firm of McDonald, Currie & Co., the present auditors of the Company, and to authorize the directors to fix their remuneration.

Voting of Management Proxies

The Class "B" shares and the Class "C" shares represented by the appropriate form of proxy hereby solicited will be voted and, where the person or company whose proxy is solicited specifies in such form of proxy a choice with respect to the U.S. stock option plan identified therein, such shares shall, subject to Section 105 of The Securities Act, 1966 (Ontario) and Section 103 of the Securities Act, 1967 (British Columbia), be voted in accordance with the specification so made.

In the absence of the specification of a choice by such means, it is intended to vote such shares for the approval of the U.S. stock option plan.

The proxy hereby solicited respectively from the holders of Class "B" shares and Class "C" shares confers discretionary authority with respect to amendments or variations to the matters identified in the foregoing notice of meeting and to other matters which may properly come before the Meeting. Management is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting.

Montreal, May 15, 1970

J. B. JOLLEY, Secretary